



SFY 16

Nevada Division of Environmental Protection

Drinking Water State Revolving Fund

Intended Use Plan

Table of Contents

I.	INTRODUCTION.....	4
A.	History and Legislation	4
B.	What's New for 2016	5
	Figure 1: The DWSRF Funding Process	6
II.	STRUCTURE OF THE DWSRF	7
A.	Capital Planning, Design and Construction.....	7
B.	Set-Asides.....	7
III.	DWSRF GOALS	7
A.	Long-Term Goals	8
B.	Short-Term Goals	8
C.	Public Health/Environmental Results Goals	8
IV.	CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS	9
A.	Distribution of Funds Analysis.....	9
	Figure 2: Two year program needs.....	9
	Figure 3: Historical Grant Distribution	10
	Figure 4: Growth of Reserve Funds for loans by fiscal year.....	10
B.	Disadvantaged Community Program	10
C.	Small System Funding	11
D.	Capacity Assessment.....	11
E.	Establishing Project Priority.....	12
F.	Tie Breaking Procedure.....	14
G.	Bypass Procedures/Readiness to proceed.....	14
H.	Refinancing Existing Loans	14
V.	FINANCIAL MANAGEMENT.....	14
A.	Sources and Uses of Funds.....	14
	TABLE 1: DWSRF Sources and Uses	16
B.	Financial Terms of Loans	16
C.	Loan Disbursements	17

D.	DWSRF-CWSRF Fund Transfers	18
VI.	SET-ASIDE ACTIVITIES	18
A.	DWSRF Administration	18
B.	Small Systems Technical Assistance	18
C.	State Program Management	19
D.	Local Assistance and Other State Programs	20
VII.	PUBLIC PARTICIPATION	20
A.	Board for Financing Water Projects	20
B.	Public Meetings and Comment Activities	21
VIII.	AUDITS AND REPORTING	21
Attachment A:	2016 Project Priority List	22
Attachment B:	Draft 2017 Project Priority List	26
Attachment C:	2016 Fundable List	28
Attachment D:	Schedule of Banked Set-asides	30
Attachment E:	Nevada FY16-17 Safe Drinking Water Act Integrated Workplan	32

LIST OF ACRONYMS

AB = Nevada State Assembly Bill
BSDW = Bureau of Safe Drinking Water
BWPC = Bureau of Water Pollution Control
CWSRF = Clean Water State Revolving Fund
DWSRF = Drinking Water State Revolving Fund
EPA = Environmental Protection Agency
ETT = Enforcement Targeting Tool
FFY = Federal Fiscal Year
HUD = United States Department of Housing and Urban Development
IUP = Intended Use Plan
MHI = Median Household Income
NAC = Nevada Administrative Code
NDEP = Nevada Division of Environmental Protection
NIMS = National Information Management System
NRS = Nevada Revised Statute
NvRWA = Nevada Rural Water Association
OFA = Office of Financial Assistance
PBR = Projects and Benefits Reporting
PWS = Public Water System
PWSS = Public Water System Supervision
SB = Nevada State Senate Bill
SDWA = Safe Drinking Water Act
SDWIS = Safe Drinking Water Information System
SFY = State Fiscal Year
TMF = Technical, Managerial, and Financial (Capacity)
ULO = Unliquidated Obligations
USDA = United State Department of Agriculture

I. INTRODUCTION

A. History and Legislation

The 1996 Amendments to the Safe Drinking Water Act (SDWA) authorized the Drinking Water State Revolving Fund (DWSRF). Nevada's allotment of the Federal Fiscal Year (FFY) 2016 DWSRF budget is \$11,854,000. These funds are available after Nevada successfully obtains a Capitalization Grant Award from the U. S. Environmental Protection Agency (EPA) for its DWSRF program.

In 1997, the Nevada State Legislature passed legislation, Senate Bill (SB) 302, which authorized the State Health Division to develop, implement and administer the DWSRF program in Nevada. In accordance with the SDWA, the legislation authorized the Treasurer of the State of Nevada to set up the account for the revolving fund and the account for set-aside programs. The 2003 Nevada State Legislature passed legislation, Assembly Bill (AB) 473, which transferred the DWSRF from the State Health Division to the Nevada Division of Environmental Protection (NDEP). NRS 445A.200 to 445A.295, inclusive, is the state statutes for the DWSRF and may be reviewed at the following Internet Web URL:

<http://www.leg.state.nv.us/NRS/NRS-445A.html>.

The regulations for the DWSRF promulgated by the Health Division, later revised by the State Environmental Commission, are found in Nevada Administrative Code (NAC) 445A.6751 to 445A.67644 inclusive and may be reviewed at the following Internet Web URL:

<http://www.leg.state.nv.us/NAC/nac-445A.html>.

The SDWA requires that, for as long as the Fund or the set-aside accounts are in operation, each prepares an annual IUP to describe how it plans to use the DWSRF to meet the Act's objectives. The IUP must describe the use of a state's capitalization grant, state match funds, principal and interest from loan repayments, other interest earnings of the DWSRF, bond proceeds, funds designated for set-aside activities, funds transferred from or to the Clean Water State Revolving Fund (CWSRF) and any other monies deposited into the DWSRF. The IUP is the central component of the DWSRF grant application and communicates plans to stakeholders who include; public water systems, private systems, the public, EPA, and other state departments. The IUP provides specific details on key aspects of the program including the state's short- and long-term goals, the priority setting process used to rank projects and the list of projects eligible to receive funding from available DWSRF funding. Figure 1 on page 6 displays the role the IUP plays in the DWSRF funding process.

The program is administered by the Office of Financial Assistance (OFA) under the administration of the Nevada Division of Environmental (NDEP), and as such, is the designated agency to apply for the capitalization grant for the DWSRF Program and

related state funds. The Bureau of Safe Drinking Water (BSDW) and the Bureau of Water Pollution Control (BWPC) play an intricate part in the set-aside activities. The IUP reflects the priorities set by OFA, which administers the DWSRF program's construction loan program and assists in the administration of the set-aside activities.

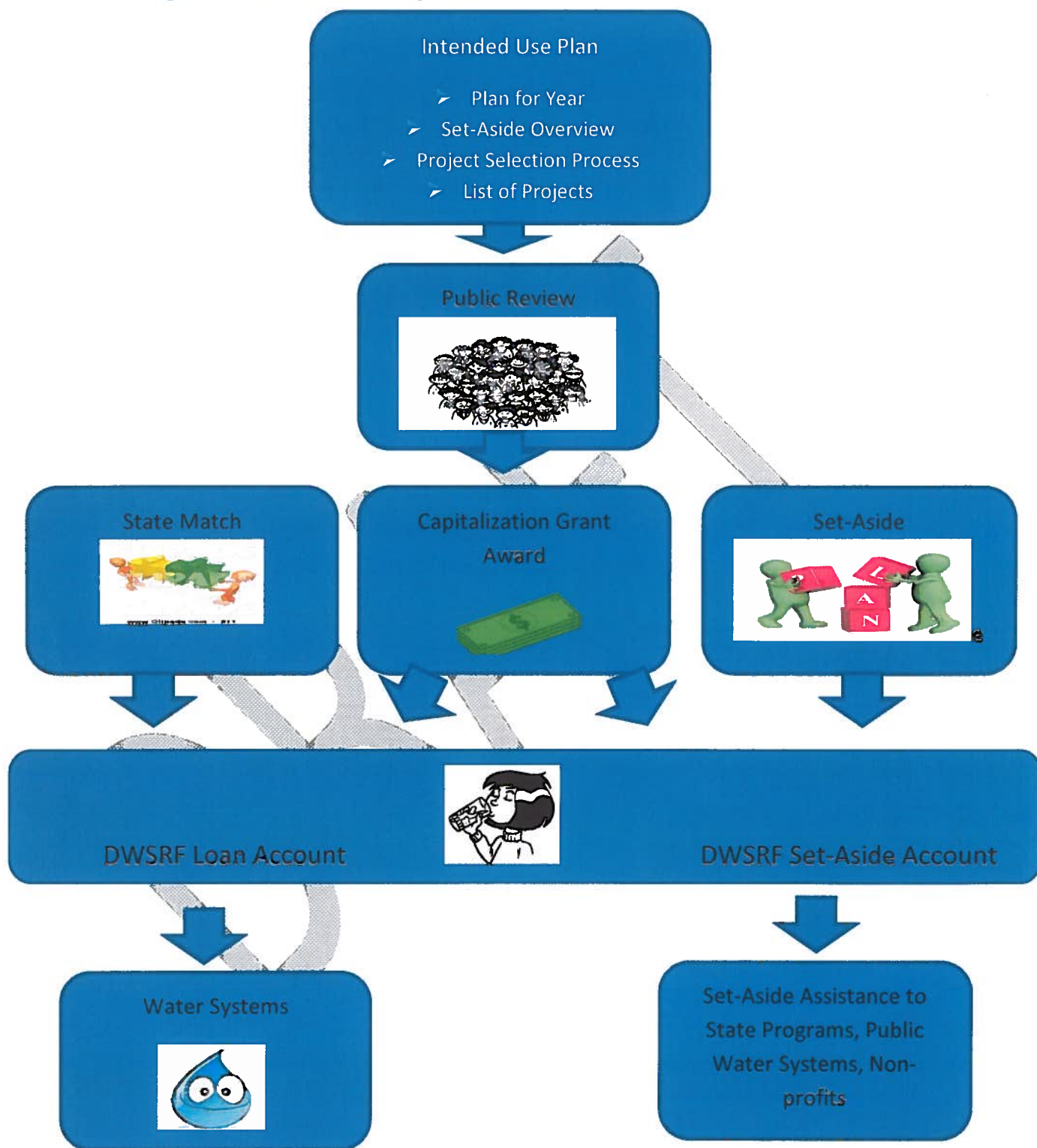
In State Fiscal Year (SFY) 2016, the BSDW and the BWPC will continue to focus on implementing the public health aspects of SDWA and the OFA will ensure the funds move expeditiously and responsibly from the time Nevada is awarded the capitalization grant to the time the funds are awarded to projects. These efforts are instrumental in achieving the requirements of the SDWA. The OFA and BSDW work closely together with other state and federal agencies to identify opportunities for funding specific projects and to coordinate funding efforts.

B. What's New for 2016

OFA will continue its outreach activities, which has been very successful in reducing Nevada's unliquidated obligation (ULO) balances. Fundable projects for SFY 2016 will enhance sustainability in local communities through infrastructure improvements and consolidation with more viable systems. This will continue Nevada's long history of being proactive towards our arid climate and maintain our ability to provide safe drinking water to our residents.

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Figure 1: The DWSRF Funding Process



II. STRUCTURE OF THE DWSRF

The DWSRF consists of two components that will be used to provide assistance to accomplish its goals.

A. Capital Planning, Design and Construction

Assistance will be provided for the planning, design, and construction of improvements to publicly and privately owned community water systems and nonprofit, non-community water systems for eligible public health projects. Eligible project types include treatment works, transmission and distribution, source, and storage projects. This account will consist of all federal funds used for infrastructure loan assistance, all state match funds, loan repayments, and interest earnings of the fund.

Federal DWSRF Guidelines specify projects that cannot be funded through the DWSRF. Of particular note are projects primarily intended to serve future growth. The focus of DWSRF assistance is to ensure safe drinking water for the current Nevada population. Eligible projects may be sized to accommodate for reasonable growth during the expected life of the infrastructure. However, the State will not fund projects intended to serve future growth outside of reasonable expectations and remains vigilant to ensure the limited DWSRF funds available are directed to serve the existing population. Additionally, the DWSRF may not provide assistance to any system that is in significant noncompliance with the National Primary Drinking Water Standards, unless it is determined that the project will enable the system to return to full compliance and the system will maintain an adequate level of technical, managerial, and financial (TMF) capacity.

B. Set-Asides

The set-asides will be used to provide additional support for the core State drinking water programs and for activities to assist water systems in developing enhanced capacity for the future. The set-asides help systems build capacity to assist in compliance with the SDWA and, if appropriate, aid their readiness to proceed to an infrastructure project. Additional information may be found in Section VI.

- ◆ **Administration** – support the state operation and management of the DWSRF, including provision of technical assistance to borrowers.

- ◆ **Small system technical assistance** – for assistance to small systems serving less than 10,000 people through the state personnel or agreements with third part assistance providers.

- ◆ **State program management** – for Public Water System Supervision program support, implementation of the Capacity Development and Operator Certification programs, and Source Water Protection program administration.

- ◆ **Local assistance and other state programs** – for assistance of Capacity Development and for source water protection activities.

III. DWSRF GOALS

In establishing the national Drinking Water State Revolving Fund program, Congress gave states the flexibility to design a program that can be tailored to meet the needs of

local public water systems. The long- and short-term goals developed for the DWSRF are presented below. They provide a framework that will guide the decision-making in Nevada's DWSRF program.

A. Long-Term Goals

- 1. Ensure that DWSRF funds are available in perpetuity to all Nevada public water systems to provide their customers with water that is safe and pleasant to drink all of the time.**

NDEP will accomplish this by, when at all possible, addressing the most critical water issues of the state first, obligating funds as quickly as possible, and through effective and efficient management of the fund.

- 2. Address the most serious risk to human health and comply with the requirements of the Safe Drinking Water Act.**

Compliance is accomplished through the priority list ranking system.

- 3. Coordinate funding with other funding agencies through the Infrastructure for Nevada's Communities.**

The DWSRF program meets quarterly with other financing programs in Nevada, including the U.S. Department of Agriculture (USDA) Rural Development program, the Department of Housing and Urban Development's (HUD) Community Development Block Grant program and various state agencies. The programs meet to discuss program applications and develop funding packages, which helps in maximizing cost savings.

B. Short-Term Goals

- 1. Issue loans totaling at least \$32,921,303.**

See Attachment C, Fundable List.

- 2. Use 20%-30% of the federal 2016 funds for additional subsidies.**

See Attachment G, Fundable List and Section V.b.2. for details.

C. Public Health/Environmental Results Goals

OFA's DWSRF project loan funds and set-aside work plans contribute to achieving EPA's Strategic Goal 2, sub-objective 2.1.1 – *Water Safe to Drink: percentage of the population served by community water systems that receive drinking water that meets all applicable health-based drinking water standards through effective treatment and source water protection*. Nevada's DWSRF program provides funding to help achieve this federal performance standard. The state will use the following performance measurers to track and manage the progress of the loan program in helping to achieve the federal standards:

◆ Set-aside funding for capacity development

One of our objectives for the set-asides is to build the technical, managerial, and financial capacity of water systems and assure an understanding of the regulatory requirements to attain and remain in compliance with the SDWA. With the assistance of the BSDW, a

quarterly report listing systems that may have compliance issues is given to the technical assistance provider so they may assist in returning systems to compliance before any targeted actions are necessary. Many of these issues include monitoring and reporting violations.

◆ **Funding utilization rate (cumulative loan agreement dollars compared with the cumulative funds available for projects) for the DWSRF loan fund.**

This will be calculated at the end of the state fiscal year (June 30, 2016). Nevada's fund utilization rate is expected to meet national performance targets.

IV. CRITERIA AND METHOD FOR DISTRIBUTION OF FUNDS

A. Distribution of Funds Analysis

OFA conservatively estimates the needs of the systems within the state over a two year fiscal period. The needs of systems, however, vary widely. Some of the systems are concerned with future availability of water resources for current users in an arid desert entering another year of drought conditions. Other systems are concerned about infrastructure replacement of old or deteriorated infrastructure. OFA's planning accounts for these challenges by having direct dialogue with water systems, engineers, and contractors that deal with these systems directly. Nevada has a relatively small enough number of systems allowing OFA to work with systems and understand which projects will be ready to proceed and meet the communities' needs. This is done in conjunction with the preparation of the priority list. Once the office has determined the need, funding sources available to these systems and the likelihood they will come to the program for funding is determined. [Figure 2]

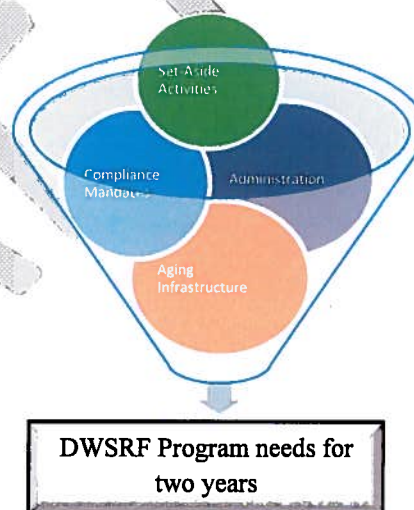
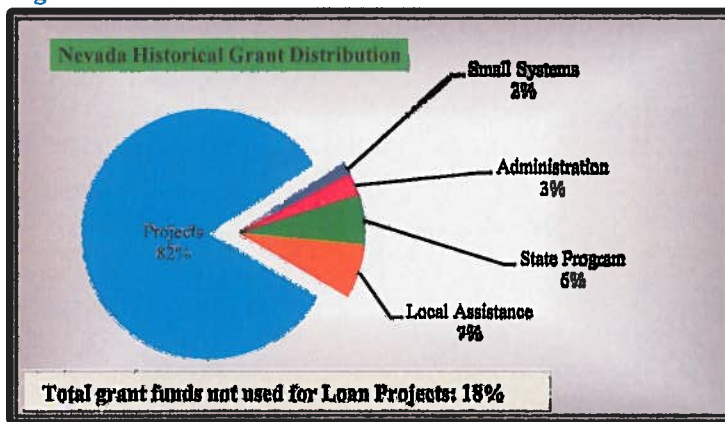


Figure 2: Two year program needs

OFA examines the best approach to funding the system's needs. Some systems are better funded through set-aside activities such as wellhead protection or small systems assistance. Other projects require direct loans from the program. It is from this analysis that the OFA determines its financial need. If plans change, OFA reserves, or banks, authority in set-aside funding to move money to project loans. This is done to ensure the Program has enough funding in the future, should the need to fund more set-aside activities arise. Historically, Nevada has not requested its full authority on set-aside funds [Figure 3]. See also Attachment D, Schedule of Banked Authority.

Figure 3: Historical Grant Distribution

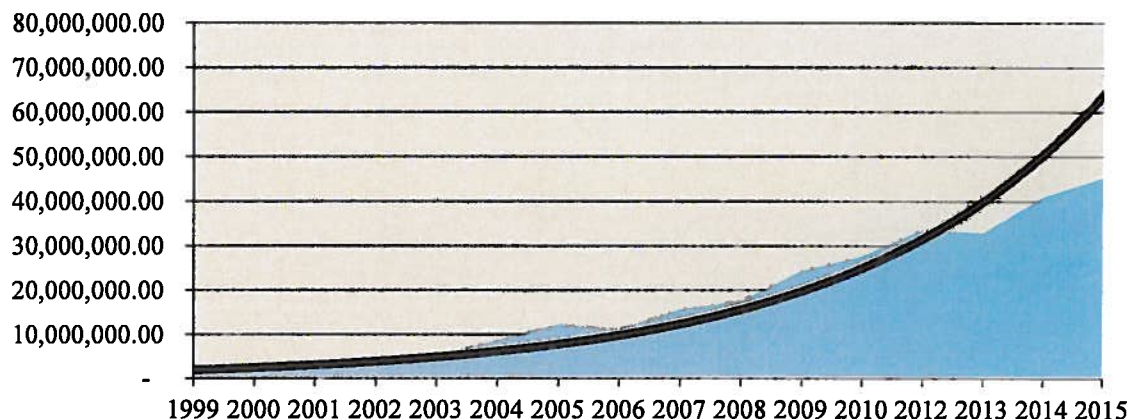


OFA considers the needs of our water systems and the health and safety of the citizens of Nevada its first priority. To ensure the Program is available to assist with this goal, OFA also analyzes the health of the program and availability of funds in perpetuity. The methodology OFA employs to determine its funding level, in

other words funding available for loans, has ensured that current needs are being met along with long term growth of the fund. [Figure 4] The trend line in Figure 4 also illustrates gradual increase of funding.

Figure 4: Growth of Reserve Funds for loans by fiscal year

Drinking Water reserve funds for loans by fiscal year



B. Disadvantaged Community Program

The Nevada Administrative Code defines a disadvantaged community as an area served by a public water system in which the average income per household is less than 80 percent of the median household income of the state. Since the federal 2016 appropriation requires that the state use at least 20% and up to 30% of its grant to provide additional subsidization to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants or any combination of these, the Program will offer additional subsidy first to communities that meet the definition of a disadvantaged community. Additional information on OFA's plan for subsidy utilization can be found under the Financial Terms of Loans in section V.b.2. of the 2016 IUP.

C. Small System Funding

Following completion of the ranking process, the fundable list of projects is reviewed to determine if at least 15 percent of the projected funding amount will be for public water systems that regularly serve fewer than 10,000 people, as required by the SDWA. Since a minimum of 76 percent of our applicants are small systems, the state does not anticipate having problems meeting this benchmark. Based on the fundable list developed, we anticipate that more than 24 percent of the SFY 2016 loan funds will be used by small water systems.

D. Capacity Assessment

The SDWA requires that a public water system applying for a DWSRF loan must show that it has the TMF capacity to ensure compliance and system sustainability. If a system does not have adequate capacity, assistance may only be provided if it will ensure that the system acquires adequate capacity. The goal of this requirement is to ensure that DWSRF assistance is not used to create or support non-viable systems. Nevada's TMF Capacity Survey is filled out as part of the DWSRF loan application process if a system has not gone through a capacity survey in the past 5 years. The state will use the TMF capacity survey and will also consider the results of sanitary surveys and Enforcement Targeting Tool (ETT) score when assessing capacity.

1. Technical Capacity

To demonstrate technical capacity, DWSRF loan applicants must show that drinking water sources are adequate, that the system's source, treatment, distribution, and storage infrastructure are adequate and that personnel have the technical knowledge to efficiently operate and maintain the system. As part of reviewing a loan applicant's TMF Capacity Survey, OFA reviews the system's records to assure that the system is being properly operated and maintained. The water system must not have outstanding water compliance problems unless the DWSRF project is intended to correct those problems. The engineering reports, plans, and specifications for the proposed DWSRF-funded project and the system's technical capacity from the TMF capacity survey will all be evaluated during the loan application process. The water system must have a qualified water operator in accordance with the state's operator certification program.

2. Financial Capacity

To demonstrate financial capacity, the applicant must show that the system has sufficient revenues to cover necessary costs and demonstrate credit worthiness and adequate fiscal controls. OFA reviews the applicant's financial capacity from the TMF capacity survey, the project budget, annual financial reports, and other financial information to ensure adequate financial capacity of the applicant.

3. Managerial Capacity

To demonstrate managerial capacity, the water system must have personnel with expertise to manage the entire water system operation. OFA reviews the applicant's managerial capacity from the TMF capacity survey and supporting documentation to assure that management is involved in the day to day supervision of the water system, is

responsive to all regulations, is available to respond to emergencies and is capable of identifying and addressing all necessary capital improvements and assuring financial viability.

4. Long-Term Capacity

OFA assesses whether each water system has a long-term plan to undertake feasible and appropriate changes in operations necessary to develop adequate capacity. In making these assessments, the OFA will consult with the Nevada Division of Environmental Protection's Bureau of Safe Drinking Water and local health departments and review water resource management strategies, comprehensive studies, the State's response to the Drinking Water Needs Survey and other available engineering reports in an effort to improve the overall capacity of systems requesting assistance. The OFA will encourage consolidation efforts when two or more systems can benefit and also encourage other options, such as contract management or partnerships with other communities in their area. The priority ranking criteria provides additional points to encourage this objective.

E. Establishing Project Priority

Nevada uses a ranking system to prioritize the order in which eligible projects will be financed (NAC 445A.67566 to NAC 445A.67574, inclusive). In general, priority is given to projects that facilitate compliance with national primary drinking water regulations applicable to the public water system under Section 1412 of the SDWA. Priority is also given to those projects which otherwise significantly further the health protection objectives of Section 1452 of the SDWA and for public water systems most in need on a per capita basis. The priority ranking system, described generally below, is described in detail in NAC 445A.67569. Projects are ranked into the following four classes, listed in order of priority.

1. Significant health risks;
2. Primary and secondary drinking water standards;
3. Infrastructure replacement; and
4. Refinance of existing debt.

Points assigned, as specified in NAC 445A.67569, to address different problems within a class are additive. The initial ranking number is multiplied by the ratio of the State MHI to the public water system MHI. Within each of the above categories, the projects are ranked by type of public water system in the following order:

1. Community public water systems;
2. Non-profit, non-transient, non-community water systems;
3. Non-profit, transient, non-community water system;

On an annual basis, following a statewide solicitation for projects, the Division develops a statewide priority list of water projects. Placement on the priority list does not guarantee that a project will be funded. However, only those projects that are included on the priority list will be considered for possible funding. The IUP, including the list of projects, undergoes a public review and comment process at least once each year.

The Division may revise the ranking of a project on an existing list at any time if information affecting the ranking of the project becomes available that was not available at the time the list was developed. Any revised list, before it is adopted, must undergo the public review and comment process outlined in the regulations and must be approved by the Board for Financing Water Projects. The Division may, without obtaining the approval of the Board for Financing Water Projects or holding a public participation workshop, revise a priority list to correct minor typographical or technical errors.

Requests for financial assistance for emergency situations may be made to the Division at any time. In any emergency situation, an applicant may submit a loan application without waiting for a revision to the priority list. All other applicants on an approved priority list will be notified of an emergency request and be given an opportunity for any comments or objections. The Board for Financing will add the project to the priority list at the same time the Board approves the loan commitment.

EPA Guidance ordinarily requires identifying a fundable list of projects. The fundable list included in Attachment B was developed based on a readiness to proceed.

A list of projects in order of priority that may receive assistance from the account for the revolving fund is made a part of this IUP. At the end of each calendar year, NDEP sends out a solicitation to all community and non-transient, non-community water systems for proposed water projects. In late December 2015, NDEP sent out a solicitation letter for the 2016 Priority List. The Division held a Priority List Workshop on April 27, 2015 for review of the 2016 Priority List. The Board for Financing Water Projects approved the 2016 Priority List at their meeting on April 28, 2015. See Attachment A for the 2016 Priority List.

Additionally, NDEP began preparing the 2017 Priority List in late December 2016. The Division will post the 2017 Priority List on its website for public comment 30 days before a Priority List Workshop will be scheduled. The 2017 Priority List will be presented at the next Board for Financing Water Projects meeting scheduled on May 4, 2016 for approval, and will immediately go into effect. See Attachment B for the Draft 2017 Priority List.

The fundable list for 2016 is included in Attachment C contains projects from both the 2016 and Draft 2017 Priority List. No project on the Draft 2017 Priority List will be funded before the Board for Financing Water Projects has approved the list and a public workshop has been held.

Although the 2016 and Draft 2017 Priority List is presented in this IUP, due to timing differences some projects applied to the 2014 and 2015 grant may be derived from prior or future year Priority Lists. They are noted on the Fundable List (See Attachment C).

F. Tie Breaking Procedure

If the scores for two or more projects are tied, ranking will be based on population, with the higher population given the higher ranking.

G. Bypass Procedures/Readiness to proceed

Eligible projects on the priority list may be bypassed if the applicant withdraws a project, requests that action be deferred, fails to meet submittal deadlines, or is not ready to proceed as determined by the Division. The projects that are bypassed will be provided notice by the Division and have an opportunity for objection.

H. Refinancing Existing Loans

The DWSRF may be used to buy or refinance debt obligations for DWSRF projects. The long-term debt must have been incurred after July 1, 1993, to be eligible for refinancing. Projects must have met the eligibility requirements under section 1452 of the SDWA and Section 35.3525 of the Code of Federal Regulations to be eligible. Loans solely for the purchase of land will not be refinanced.

V. FINANCIAL MANAGEMENT

A. Sources and Uses of Funds

1. State Match Source

The SDWA requires states to provide a 20 percent match to the capitalization grants received from the federal government. This requirement is met through the issuance of Government Obligation Bonds. OFA issued a \$6.7 million par bond on November 4, 2015 to meet the required match through the 2017 grant award. No funds will be drawn from these grants until the match funds have been deposited. Please see Table 1 for further detail.

2. Fee Income

While Nevada's has statutory authority to charge a fee, it has chosen not to in the past and does not plan to do so in SFY2016.

3. Leveraging

States may issue bonds through the DWSRF program using the federal capitalization grant as security to provide for higher funding levels in the current year of the program. Leveraging of federal funds is a useful financial option available to states with a high demand of shovel ready projects for immediate DWSRF funding. The program has never taken advantage of leveraging but reserves the right if funding demands increase.

4. Use of All Funds Available

Since the program's inception, the DWSRF has closed 91 loans (a total of \$228.2 million). The amount of funds in the DWSRF for SFY 2016-including the FFY 2016 grant, repayments, and interest earnings-and the intended allocation to each activity is presented in Table 1. SFY 2016 funding will total approximately\$28.7 million. The DWSRF will provide \$36.1 million in loans and loan refinancing to public and private water systems and \$3.1 million for set-aside program activities including \$369,068 to administer the program. All infrastructure projects will be funded through the current capitalization grants, repayment funds, a bond funds (match), and investment interest.

The funding available for SFY 2016 loans for systems serving more than 10,000 people is \$30,080,000 (82 percent of the total loan funding). Systems serving fewer than 10,000 people will receive \$6,113,751 (17 percent of the total loan funding). The interest rate for all traditional loans will be 62.5% of the Bond Buyers Index at the time of the loan.

Per Congress' FY2016 DWSRF funding legislation, not less than 20 percent and no more than 30 percent of the FY 2016 capitalization grant must be used towards additional subsidy in the form of principal forgiveness, negative interest loans or grants. OFA will provide approximately \$2.5 million, or 20 percent of the appropriation, in the form of principal forgiveness. This approach balances the State's desire to provide subsidy in a time of economic hardship in many of our communities, while continuing to maintain the DWSRF fund in perpetuity.

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TABLE 1: DWSRF Sources and Uses

Estimated FY2016 and Cumulative Sources and Uses			
	Cumulative Total from 1998 through 2015 Grants	2016 Fiscal Year	Cumulative Total through 2016 Grant
SOURCES			
Federal Capitalization Grants	173,617,500	11,854,000	185,471,500
ARRA Capitalization Grant	19,500,000		19,500,000
State Match			0
Provided from State Match Bond Issues	33,196,541	6,701,579	39,898,121
Principal Repayments on Assistance Provided	50,064,098	7,249,809	57,313,907
Interest Repayments on Assistance Provided	29,277,849	2,748,273	32,026,122
Investments Earnings	4,303,958	143,478	4,447,436
Funds Transferred from (To) DWSRF	0	0	0
TOTAL SOURCES	309,959,946	28,697,140	338,657,086
USES			
Financing Agreements Entered (Base Program)	211,871,288		211,871,288
Projects on Fundable List	14,149,028	22,044,723	36,193,751
ARRA Financing Agreements Executed	19,039,051	0	19,039,051
Bond Debt Service Reserve	8,355,781	0	8,355,782
State Match Bond Debt Service			
Principal	16,070,000	3,235,000	19,305,000
Interest	9,156,107	312,704	9,468,811
4% ARRA Administrative Expense	16,770	0	16,770
4% Administrative Expenses (Non-ARRA)	5,173,069	369,068	5,542,137
2% Small Systems Technical Assistance (Non-ARRA)	2,733,919	247,298	2,981,217
10% ARRA State Program Management	444,179	0	444,179
10% State Program Management (Non-ARRA)	10,585,875	1,344,119	11,929,994
15% Local Assistance (Non-ARRA)	12,364,879	1,144,227	13,509,106
			0
TOTAL USES	309,959,946	28,697,139	338,657,086

B. Financial Terms of Loans

1. Standard Loans

The SDWA allows states to charge interest rates ranging from zero percent to market rate for standard DWSRF loans. We have determined that the interest rate on a DWSRF loan should reflect current market conditions. Interest rates are set 62.5% of the General Obligations Bond Index or the Revenue Bond Index rate at the time of the loan award. All loans will have a maximum repayment term of 20 years with fixed interest rates.

Some loan terms could extend to 30 years at the discretion of OFA. Repayment of loans will commence no later than one year after project completion.

2. Subsidy Requirements and Principal Forgiveness Loans

The federal 2016 appropriation required that the state use at least 20% and up to 30% of its grant to provide additional subsidization to eligible recipients in the form of forgiveness of principal, negative interest loans, or grants or any combination of these. Under the existing program, the DWSRF has authority to offer principal forgiveness and negative interest loans in an amount up to 100% of the value of a loan.

Additional subsidy will be considered for the following systems and needs:

- Communities that meet the Nevada definition of a disadvantaged community to address health concerns or critical infrastructure needs. The Nevada Administrative Code defines a disadvantaged community as an area served by a public water system in which the average income per household is less than 80 percent of the median household income of the state. (NAC 445A.67561(9)(a)).
- Consolidation of one system into another, adjacent system.
- Preliminary Engineering Reports in accordance to Rural Utilities Services Bulletin 1780-2 to prepare for a project.
- Communities with a population of less than 10,000 people.

All subsidy projects will be limited to \$500,000 and Preliminary Engineering Reports limited to \$100,000 unless there is an acute health risk, unfunded mandate, increased costs due to economic fluctuations or other extenuating circumstances determined by the OFA and approved by the Board.

There are adequate projects on the Priority List that meet the above affordability criteria to more than satisfy the requirement of 20% to 30% of the grant. The terms and amount of the additional subsidy will be determined on a case by case basis based on the individual community's financial situation.

In addition to reduced or zero interest loans for disadvantaged communities, the project prioritization process takes into account the median household income (MHI) in the area served by a water system. The process ranks projects in communities with a lower MHI higher than an equivalent project in a community with a higher MHI. This ranking process, therefore, gives those projects serving communities with a lower MHI the first opportunity at loan funds.

C. Loan Disbursements

NDEP has disbursed \$228.2 million for water projects since the program's inception. Match is spent first, federal funds second, re-loan principal third, and finally investment interest earnings. Grant funds are drawn using the first-in, first-out method, with the oldest grant funds being drawn first. Please note, NDEP does not use state funds for principal forgiveness loans and/or private systems so there may be a small balance of federal moneys available when re-loan funds are drawn.

D. DWSRF-CWSRF Fund Transfers

NDEP reserves the right to transfer up to 33 percent of DWSRF capitalization grant to the CWSRF or an equivalent amount from the DWSRF to the CWSRF. Since program inception no funds have been transferred. Details will be made available to EPA and interested parties should NDEP determine this is needed.

VI. SET-ASIDE ACTIVITIES

The SDWA allows each state to set aside up to 31 percent of its federal capitalization grant to support various drinking water projects including administration, technical assistance, state program management and special activities. The funding request is based on the State biannual budget.

For FY 2016, a total of \$2.490 million of federal funding (21.01 percent of the federal FY 2016 funding) for set-asides is planned. An additional \$901,871 of state funding in the form of in-kind will be allocated to meet the 1:1 match mandate of the State Program Management set-aside. Detailed work plans have been submitted to EPA and reporting on the performance status of the activity will be reported on a semi-annual basis. For further detail on the set-asides please see Attachment E.

A. DWSRF Administration

Max allowed:	4%
Taken from FFY 2016 Grant:	2.36% (\$280,000)

The DWSRF is administered by OFA. The administration set-aside is used to pay salaries and associated expenses of program personnel devoting time to the administration of the DWSRF loan account. Part of this account is also used to pay for of a contracted Financial Advisor, who assists in fund analysis and bond issuances. Administration set-aside funds are also used to procure all equipment and training necessary for the adequate performance of the staff.

B. Small Systems Technical Assistance

Max Allowed:	2%
Taken from FFY 2016 Grant:	1.77% (\$210,000)

These funds are used to provide technical assistance to public water suppliers serving 10,000 or fewer people. OFA uses this set-aside to fund assistance providers that may include the Nevada Rural Water Association (NvRWA). NvRWA will be under contract to provide specific activities such as the following:

- ◆ Assist with compliance issues, sanitary survey deficiencies, loan & grant assistance, emergency assistance
- ◆ Water conservation, O&M manuals, cross connection control, emergency response, wellhead protection, hydraulic modeling
- ◆ Budgeting & rate setting, power consumption, digital mapping, general office &

business practices

C. State Program Management

Max Allowed: 10%
Taken from FFY 2016 Grant: 9.62% (\$1,140,000)

These funds are used to address additional program requirements of the Public Water System Supervision program outlined by the SDWA and administer or provide technical assistance through source water protection programs. This set-aside requires a one-to-one state match beyond the 20 percent state match for federal capitalization grants. The NDEP uses activities through the Bureau of Water Pollution as an in-kind match in the amount of \$901,871 with the 1993 expenditure credit of \$238,129 making up the remainder of the match requirement.

1. Public Water System Supervision (PWSS) Program

NDEP through the Bureau of Safe Drinking Water (BSDW) continues to maintain the Safe Drinking Water Information System (SDWIS) for use in managing Nevada Public Water System's (PWS) and will integrate SDWIS with other Bureau workflow management tools and other State databases as appropriate. BSDW continues to manage State and US EPA compliance and enforcement priorities using Enforcement Targeting Tool information, pursuing enforcement as warranted and track ongoing compliance with Administrative Orders issued for noncompliance. In addition, the BSDW maintains engineering design review activities.

2. Operator Certification

NDEP conducts a water system operator certification program. To comply with the SDWA requirements and ensure the resources to certify operators of all community systems and non-transient non-community systems (including systems without treatment), set-aside funding will be used to continue our operator training contract to fund salaries for administrative and enforcement personnel.

NDEP's operator certification program meets the criteria that have been presented by EPA in stakeholder meetings and guidance.

3. Capacity Development

The primary goal of our capacity development program is to provide public water systems with the tools and financial assistance needed to obtain and maintain the technical, financial and managerial capacity needed to ensure a supply of safe drinking water. The NDEP implements the state's capacity development program (http://ndep.nv.gov/bffwp/dwsrfl_cap_dev.htm). The capacity development efforts are conducted by the OFA, BSDW, and NvRWA. The program is funded primarily with set-aside monies from the DWSRF. In developing and implementing this program, the NDEP accomplishes tasks in new systems program annual reporting criteria and existing system strategies.

D. Local Assistance and Other State Programs

Max Allowed: 15%
Taken from FFY 2016 Grant: 7.25% (\$860,000)

Funds for this set-aside are used to support the implementation of local drinking water protection initiatives, including evaluating regional solutions, conducting sustainability audits and land acquisition for source water protection. Federal regulations state that no more than 10 percent of the federal capitalization grant can be allotted to any one of these activities.

1. Wellhead Protection – Source Water Protection/Groundwater

Implement the comprehensive Source Water Protection Program by providing outreach and assistance communities with strategies to protect their local water resources by preventing contamination of ground water and surface water, identifying and reducing the risk posed by potential water pollution sources through various state and local program and coordinating water protection activities throughout the state. Utilize information gathered in the assessment program to implement the vulnerability assessment and monitoring waiver program.

2. Capacity Development

In addition to the capacity development activities listed under the 10 percent State Program Management set-aside, NDEP uses funds under the Local Assistance set-aside to provide assistance and training to improve PWS technical, managerial and financial capacity.

3. Source Water Protection Program Administration FFY 2016 Grant/State Matching Funds:

Source water protection is a cost-effective strategy that focuses on preventing contamination of drinking water supplies. Funding under this set-aside is used to revise and implement source water protection programs, to develop and perform technical assistance outreach and to develop a strategy for dealing with threats including pathogens, inorganics and nutrients.

In SFY 2016, NDEP will work to further integrate its state-side source water protection strategy with other federal, state and local programs leading to improved protection and management of its water resources. NDEP continues to encourage public support and responsibility for local water supplies by supporting citizen advisory committees to help in the implementation of NDEP's existing source water protection program.

VII. PUBLIC PARTICIPATION

A. Board for Financing Water Projects

NDEP is committed to involving public stakeholders in the development and ongoing operation of our program. A five-member board appointed by the Governor consisting of outside Professional Engineers and representatives from public water systems help in the

development of the DWSRF program policy and approval of proposed eligible projects. In the future, our Board members will continue as a source of public input on DWSRF management and operations.

B. Public Meetings and Comment Activities

To ensure that the public had an opportunity to review our proposed plans for the DWSRF, the draft 2016 IUP was posted on our website (<http://ndep.nv.gov/bffwp/srlf01.htm>) for 30 days before it was finalized. A public workshop to solicit public comment for the 2016 Priority List was held April 27, 2015. The 2016 priority list was approved by the Board on Tuesday, April 28, 2015 and immediately went into effect.

The Division will post the draft 2017 Priority List on its website for public comment 30 days before a Priority List Workshop will be scheduled. The draft 2017 Priority List will be presented at the next Board for Financing Water Projects meeting scheduled on May 4, 2016 for approval, and will immediately go into effect.

VIII. AUDITS AND REPORTING

Ensuring transparency and accountability, all program materials are posted on our website (<http://ndep.nv.gov/bffwp/index.htm>). The State Controller's Office annually utilizes the services of an independent audit to ensure financial integrity. Project and benefits data is entered into the EPA Drinking Water National Information Management System (NIMS) and Project and Benefits Reporting (PBR) System to evaluate the benefits of the DWSRF program. Among other parameters, the reporting systems evaluate the number of DWSRF projects that provide the following public health benefits:

- ◆ Achieve compliance with SDWA;
- ◆ Maintain compliance with SDWA; and
- ◆ Meet future requirements of SDWA.

Project benefits information is entered into PBR by the end of the quarter in which the assistance agreement is signed. Green Project Reserve is not being continued, so "green" projects and/or green portions of projects are not reported in PBR.

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Attachment A: 2016 Project Priority List

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FINAL Year 2016 Priority List - Drinking Water State Revolving Fund

Rank	Water System	Total Points	State MH/L PWS MH/L	Revised Points	Ownership of System	County	ID#	Pop. Served	Number of Svc. Conn.	Project Description	Amount
Class I--Acute Health Risks											
Community Public Water Systems											
1	Kingsbury GID	5	0.71	3.57	Public	DO	NV0000004	3,839	2,450	Surface water treatment plant relocation	\$12,000,000
Total Class I											\$12,000,000
Class II--Chronic Health Risks											
Community Water Systems											
2	Roark Estates HOA	10	1.99	19.94	Private	CL	NV00000319	62	27	Arsenic compliance	\$300,000
3	McDermitt GID	10	1.47	14.69	Public	HJ	NV0000162	200	100	Arsenic compliance	\$500,000
4	Wildes Manor MHP	10	1.34	13.45	Private	CH	NV0000058	70	20	Arsenic compliance	\$375,000
5	Truckee Meadows Water Authority	11	1.13	12.42	Public	WA	NV0000190	325,000	91,000	Groundwater treatment (arsenic, iron, manganese removal) for reliable source during drought	\$27,065,038
6	Carson City Utilities	10	1.02	10.16	Public	GC	NV0000015	56,000	16,447	Arsenic & Uranium compliance (pipeline to Douglas Co and transmission within Carson City)	\$8,000,000
7	Silver Knolls Mutual Water Co	10	1.00	9.95	Private	WA	NV00004021	120	63	Arsenic compliance	\$516,000
8	Douglas Co (Sierra Country Estates)	10	0.69	6.92	Public	DO	NV00000931	39	17	Lead Compliance - Consolidation & Treatment	\$1,300,000
9	Rosemount Water Company	10	0.69	6.87	Private	WA	NV00000647	55	23	Uranium compliance, storage tank refurbishment	\$63,000
10	IMI Rose Bowl HOA	10	0.69	6.87	Private	WA	NV00000732	40	15	PER, Lead Compliance, new storage tank	\$214,144
11	Douglas County (Fairgrounds/Sunrise Estates)	10	0.65	6.45	Public	DO	NV00002546	150	46	Arsenic compliance	\$2,619,000
12	Shoshone Estates HOA	10	0.62	6.25	Private	NY	NV00005028	240	76	Arsenic compliance & other system projects	\$1,660,000
Total Class II											\$42,612,182
Class III--Rehabilitation											
Community Public Water Systems											
13	Lovelock Meadows Water District	43	1.49	63.98	Public	PE	NV0000161	5,278	1,409	New well, transmission line, storage, treatment	\$4,000,000
14	City of Caliente	29	2.13	61.69	Public	UJ	NV00000113	1,123	485	Well upgrade, transmission line & distribution line repair/replace	\$1,905,000
15	Blue Diamond Water Coop	59	1.02	60.42	Private	CL	NV00000592	85	23	PER, ER, & full system repair/rehab	\$1,194,400
16	Spirit Mountain Utility	21	2.71	57.00	Public	CL	NV00000221	244	120	New well, transmission, & distribution lines	\$1,287,500
17	Elko Co (Montello)	15	3.44	51.61	Public	EL	NV00000169	180	75	New spring source	\$503,940
18	Topaz Ranch Estates GID	39	1.19	46.57	Public	DO	NV00000239	1,501	730	Rehabilitation/replacement: well, storage tank, transmission & distribution lines	\$13,773,956
19	Elko Co (Montello)	13	3.44	44.73	Public	EL	NV00000169	150	73	Storage tank, hauled water metering station	\$375,375
20	Lyon County Utilities (Dayton)	39	1.06	41.33	Public	LY	NV00000838	1,578	895	New well storage, upgrade transmission & distribution	\$1,720,000
21	Goldfield Town Water	33	1.22	40.14	Public	ES	NV00000072	375	276	Well rehabilitation, transmission line replacement, booster pump replacement, tank refurbishment	\$6,090,910
22	Beatty Water & Sanitation District	21	1.76	36.89	Public	NY	NV00000009	1,010	446	Pipeline replacement, storage tanks, controls, & other system projects	\$2,582,830
23	Las Vegas Valley Water District	35	1.03	36.13	Public	CL	NV0000090	1,305,410	354,123	System rehab: source, storage, distribution & backflow	\$15,000,000
24	Oroville GID	19	1.86	35.32	Public	HU	NV00003022	200	50	Storage, distribution, meters	\$1,800,000
25	Elko Co (Mountain City)	23	1.52	34.86	Public	EL	NV00000170	134	40	Spring rehabilitation & transmission line replacement	\$60,000
26	City of West Wendover	24	1.40	33.58	Public	EL	NV00000246	4,990	1,103	Transmission line, distribution, storage	\$1,872,870
27	Gerlach GID	10	2.71	27.15	Public	WA	NV00000071	200	140	Replace redwood storage tank	\$400,000
28	Sage Valley MHP	25	1.06	26.45	Private	CH	NV00002023	188	50	System rehab: new well pump, pressure tank & flow meter	\$60,500
29	Gold Country Water Co	25	1.05	26.34	Private	HJ	NV00003079	360	122	Acquisition/consolidation of Star City POA water system	\$675,000
30	Silver Springs Mutual Water Co	15	1.68	25.25	Private	LY	NV00000223	2,500	1,015	Replacement well	\$730,000
31	Gerlach GID	9	2.71	24.43	Public	WA	NV00000071	200	140	Distribution line looping, replacement of service saddles	\$510,000

**Class II--Rehabilitation
Community Public Water Systems**

32	Douglas Co (Lake Tahoe Systems)	34	0.69	23.49	Public	DO	NV\0000258 & NV\0000259	2,800	1,085	Replacement/Upgrade: Storage tank, booster stations, water line, & SCADA; addition of redundant treatment microfiltration system	\$14,225,000
33	Elko Co (Jackpot)	18	1.28	23.09	Public	EL	NV\0000088	308	88	Removal of old concrete storage tank & installation of new steel 1M-gal storage tank	\$1,416,235
34	Lamelle Water Users, Inc	39	0.59	22.84	Private	EL	NV\0000273	200	71	Storage, transmission, distribution	\$500,000
35	Virgin Valley Water District	18	1.19	21.36	Public	CL	NV\0000167	18,000	8,071	Transmission main & storage tank - Pulte	\$5,265,000
36	Walker Lake GID	11	1.84	20.20	Public	MI	NV\0000268	400	160	Distribution rehabilitation	\$2,000,000
37	Roark Estates HOA	10	1.99	19.94	Private	CL	NV\0000319	62	27	New storage tank	\$92,500
38	Elko Co (Jackpot)	15	1.28	19.21	Public	EL	NV\0000088	1,195	98	PER - Well 3 replacement	\$50,000
39	Storey County (Virginia City)	24	0.76	18.31	Public	ST	NV\0000240	2,517	694	Tank, transmission	\$7,000,000
40	City of Yerington	14	1.30	18.14	Public	LY	NV\0000255	2,695	1,573	Distribution line replacement - Phase 1	\$5,431,250
41	Panaca Farmstead	15	1.20	18.05	Public	LI	NV\0000185	963	425	Back-up well	\$500,000
42	Virgin Valley Water District	15	1.19	17.80	Public	CL	NV\0000167	18,000	8,071	New source(s)	\$4,050,000
43	McGill - Ruth GID	18	0.94	17.00	Public	WP	NV\0000164	700	320	New water source for Ruth	\$1,624,000
44	Truckee Meadows Water Authority	15	1.13	16.93	Public	WA	NV\0000190	325,000	91,000	TMAVA Production Well Additions - 2015	\$4,000,000
45	Baker GID	10	1.69	16.90	Public	WP	NV\0000863	100	81	Repair bolted storage tank	\$8,000
46	Baker GID	10	1.69	16.90	Public	WP	NV\0000863	100	81	New welded steel storage tank	\$299,000
47	Tonopah Public Utilities	10	1.51	15.09	Public	NY	NV\0000237	2,600	1,500	Airport storage tank replacement & booster pump re-conditioning	\$291,220
48	Silver Peak	6	2.49	14.95	Public	ES	NV\0000363	1,111	75	PER, ER, & distribution lines	\$707,700
49	Lyon County Utilities (Silver City)	14	0.96	13.50	Public	LY	NV\0000240	244	116	Transmission & distribution line replacement	\$1,900,000
50	Nye County (Gabbs)	6	2.08	12.46	Public	NY	NV\0000063	411	160	Distribution line replacement	\$785,000
51	Kingston Town Water Utilities	10	1.22	12.17	Public	LA	NV\0000265	300	144	New storage tank	\$570,000
52	City of Henderson	14	0.82	11.46	Public	CL	NV\0000076	277,000	92,526	Townsite cast iron transmission and distribution replacement (U0026)	\$2,300,000
53	City of Henderson	14	0.82	11.46	Public	CL	NV\0000076	277,000	92,526	North Green Valley Parkway transmission and distribution improvements (U0027)	\$1,200,000
54	City of Henderson	14	0.82	11.46	Public	CL	NV\0000076	277,000	92,526	Pitman/Boulder Highway waterline replacement (U0033)	\$4,700,000
55	City of Henderson	14	0.82	11.46	Public	CL	NV\0000076	277,000	92,526	Victory Road cast iron main replacement - Townsite Phase 1 (U0034)	\$2,900,000
56	City of Henderson	14	0.82	11.46	Public	CL	NV\0000076	277,000	92,526	Townsite cast iron transmission and distribution replacement - Townsite Phase 2 (U0072)	\$4,200,000
57	Kyle Canyon	15	0.75	11.31	Public	CL	NV\0000142	1,040	353	New source	\$930,000
58	Stagecoach GID	8	1.27	10.17	Public	LY	NV\0000224	1,411	580	Interite Stagecoach GID with Lyon County Utilities	\$1,280,000
59	Virgin Valley Water District	8	1.19	9.49	Public	CL	NV\0000167	18,000	8,071	Transmission main - Mesquite to Burkerville	\$3,375,000
60	Virgin Valley Water District	8	1.19	9.49	Public	CL	NV\0000167	18,000	8,071	Transmission main - Mesquite Heights to Pulte	\$1,080,000
61	McGill - Ruth GID	10	0.94	9.44	Public	WP	NV\0000164	700	320	New storage tank for Ruth	\$975,000
62	Truckee Meadows Water Authority	8	1.13	9.03	Public	WA	NV\0000190	325,000	91,000	North Valleys Groundwater Integration Project	\$15,000,000
63	City of West Wendover	6	1.40	8.39	Public	EL	NV\0000246	4,990	1,403	Sycamore Way Waterline Improvement Project	\$675,400
64	Shamboat Springs Water Works	10	0.84	8.39	Private	WA	NV\0000282	750	292	Telermetry, isolation valves	\$90,000
65	Elko Co (Tuscarora)	6	1.22	7.33	Public	EL	NV\0000189	40	21	Distribution system looping	\$229,704
66	Sun Valley GID	6	1.21	7.26	Public	WA	NV\0000211	19,461	5,963	Distribution to eliminate dead ends, PRV	\$230,900
67	City of Ely	6	1.16	6.95	Public	WP	NV\0000038	5,500	2,200	Distribution system improvements	\$6,420,000
68	City of Ely	6	1.16	6.95	Public	WP	NV\0000038	5,500	2,200	Upgrade distribution line from Golf Course Well	\$1,122,500
69	Old River Water Company	6	1.06	6.35	Private	CH	NV\0000303	300	112	Distribution lines	\$1,451,835
70	Douglas Co (West Valley Water System)	15	0.41	6.15	Public	DO	NV\0002564 & NV\0002054	1,090	421	New source	\$1,000,000
71	Tonopah Public Utilities	3	1.51	4.53	Public	NY	NV\0000237	2,600	1,500	Metering system upgrade to radio read	\$576,000
72	McDermitt GID	3	1.47	4.41	Public	HU	NV\0000182	200	100	Meters	\$90,000
73	City of West Wendover	3	1.40	4.20	Public	EL	NV\0000246	4,990	1,103	Water meter & meter yolk replacement	\$1,411,600
74	Panaca Farmstead	3	1.20	3.61	Public	LI	NV\0000185	963	425	Metering system upgrade to radio read	\$400,000

Class III--Rehabilitation											
Community Public Water Systems											
75	Lyon County Utilities (Dayton)	3	1.06	3.18	Public	LY	NV0000032	11,000	5,200	Meters, isolation valves	\$1,150,000
76	Douglas County Public Works	3	0.88	2.64	Public	DO	Multiple	9,450	3,610	Telemetry & SCADA improvements	\$700,000
Class III--Rehabilitation											
Non-Community Public Water Systems											
77	Trout Canyon Land & Water Users Assoc	59	1.23	72.79	Private	CL	NV0004060	140	70	Repair/rehab spring or replace with well; replace transmission & distribution lines; chlorination; additional storage	\$2,996,000
78	Nye County Complex	44	1.29	56.61	Public	NY	NV0002152	100	13	Storage tank replacement, treatment, transmission line replacement, SCADA, & back-up generator	\$405,405
79	Humboldt River Ranch Assoc	15	1.01	15.20	Private	PE	NV0001125	150	10	PER, back-up well & other system requirements	\$150,000
80	City of Reno	10	1.13	11.29	Public	WA	NV0000760	50	1	New storage tank for Sky Tavern	\$750,000
Total Class III										\$163,006,530	
Class IV--Refinance											
81	Virgin Valley Water District	0	1.19	0	Public	CL	NV0000167	18,000	7,796	Loan Refinancing	\$13,500,000
82	City of Fernley	0	1.00	0	Public	LY	NV0000062	18,000	7,300	Loan Refinancing	\$47,000,000
83	Topaz Ranch Estates GID	0	1.19	0	Public	DO	NV0000239	2,100	748	Loan Refinancing	\$985,000
Total Class IV										\$61,485,000	
TOTAL FOR ALL PROJECTS										\$279,103,712	

Attachment B: Draft 2017 Project Priority List

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The Division will post the Draft 2017 Priority List on its website for public comment 30 days before a Priority List Workshop will be scheduled. The Draft 2017 Priority List will be presented at the next Board for Financing Water Projects meeting scheduled on May 4, 2016 for approval, and will immediately go into effect. This Attachment will be updated before the 2016 IUP is finalized.

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Attachment C: 2016 Fundable List

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2016 Fundable List

Projects to be applied to the 2016 Grant

Grant Applied to:	Rank	Community Name/Project Sponsor	ID#	*Class	Population	Project Description	Total Assistance	Interest Rate	**Additional Subsidy/Principal Forgiveness	Estimated Binding Commitment
2016	23	Las Vegas Valley Water District	NV0000090	II	1,306,410	System Rehabilitation	15,000,000	TBD	0	12/2/2015
2016	62	Truckee Meadows Water Authority	NV0000190	III	325,000	Groundwater Integration	15,000,000	2.62%	0	7/14/2015
2016	2	Riverbelle MHP	NV0000244	II	150	PERWER, new source-possible consolidation	500,000	PF	500,000	8/1/2016
2016	15	Lovelock Meadows Water District	NV0000161	III	5,276	Transmission line	500,000	PF	500,000	8/1/2016
2016	16	Elko Co. (Montello)	NV0000169	III	180	New spring source	500,000	PF	500,000	8/1/2016
2016	17*	Spirit Mountain Utility	NV0000221	III	244	New well	500,000	PF	500,000	8/1/2016
2016	83	Topaz Ranch Estates GID	NV0000239	IV	2,100	Loan Refinancing	412,000	TBD	0	12/2/2015
2016	20*	Alamo Sewer & Water GID	NV0000005	III	900	New Storage Tank & Transmission	500,000	PF	500,000	6/30/2016
**2017 Drinking Water Priority List							32,912,000		2,500,000	

Projects to be applied to earlier Grants

Grant Applied to:	Rank	Community Name/Project Sponsor	ID#	*Class	Population	Project Description	Total Assistance	Interest Rate	**Additional Subsidy/Principal Forgiveness	Estimated Binding Commitment
2014	46	Baker GID (additional funding)	NV0000863	III	100	New welded steel storage tank	155,376	PF	155,376	7/14/2015
2014	30	Silver Springs Mutual Water Co	NV0000223	III	2,500	Replacement Well	500,000	PF	500,000	7/14/2015
2015	56*	Silver Peak	NV0000363	III	111	PERWER, PRV improvements, and distribution main replacement	500,000	PF	500,000	6/30/2016
2015	46	Baker GID	NV0000863	III	100	New welded steel storage tank	476,375	PF	476,375	7/14/2015
2015	29	Gold Country	NV0003079	III	360	Consolidation	500,000	PF	500,000	6/30/2016
2015	21	Goldfield Town Water	NV0000072	III	375	Well Rehabilitation, transmission, booster pump, replacement	500,000	PF	500,000	1/27/2015
2015	12*	Goldfield Town Water	NV0000072	III	375	Well Rehabilitation, transmission, booster pump replacement	500,000	PF	500,000	5/4/2016
2015	32*	North Las Vegas	NV0000175	III	335,355	Consolidation of 4 Trainers Trailer Oasis w/NLV	80,600	PF	80,000	5/4/2016
2015	69*	Lander County (Austin)	NV0000006	III	350	PER	70,000	PF	70,000	6/30/2016
**2017 Drinking Water Priority List							3,281,751		3,281,751	
Totals							36,193,751		5,781,751	

*Class	I	Acute Health Risk
	II	Chronic Health Risk
	III	Rehabilitation
	IV	Refinancing

Attachment D: Schedule of Banked Set-asides

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DWSRF Banked Authority Worksheet
as of 2/17/2015

Grant Award Date	Grant Name	Amount	Loans			4% Admin			2% SSTA			10% Prog			10% Local (cannot bank)			Total Used for Set-aside
			Award	Amend	Banked Authority Used for Loans	Award	Amend	Banked Authority for Set-aside	Award	Amend	Banked Authority	Award	Amend	Banked Authority	Award	Amend	Banked Authority	
9/1/1999	FS99996099	14,985,100	11,633,199	0	0	31,633,199	581,404	581,404	291,702	291,702	13,96,795	13,96,795	610,000	610,000	610,000	610,000	610,000	610,000
1/21/1999	FS99996098	12,558,000	9,808,887	0	0	9,808,887	492,352	492,352	223,608	223,608	555,066	555,066	1,465,147	1,465,147	1,465,147	1,465,147	1,465,147	1,465,147
8/24/2001	FS99996001	7,757,000	6,209,147	0	0	6,209,147	310,280	310,280	155,140	155,140	742,433	742,433	340,000	340,000	340,000	340,000	340,000	340,000
7/29/2002	FS99996002	15,841,600	14,486,848	0	0	14,486,848	633,664	633,664	316,832	316,832	1,584,160	1,584,160	875,902	875,902	875,902	875,902	875,902	875,902
9/24/2003	FS99996003	8,004,100	5,522,829	0	0	5,522,829	320,164	320,164	160,082	160,082	800,410	800,410	1,200,615	1,200,615	1,200,615	1,200,615	1,200,615	1,200,615
1/18/2005	FS99996005	8,303,100	6,386,391	668,411	0	6,386,391	332,121	332,121	166,062	166,062	516,256	516,256	1,001,997	1,001,997	1,001,997	1,001,997	1,001,997	1,001,997
7/5/2005	FS99996005-1	8,285,500	6,532,421	831,589	0	7,364,010	331,420	331,420	165,710	165,710	296,298	296,298	958,351	958,351	958,351	958,351	958,351	958,351
6/16/2006	FS99996006	8,229,300	6,213,769	0	0	6,213,769	329,172	329,172	164,586	164,586	642,027	642,027	879,746	879,746	879,746	879,746	879,746	879,746
7/7/2007	FS99996007	8,229,300	6,135,889	0	0	6,135,889	329,172	329,172	164,586	164,586	642,027	642,027	879,746	879,746	879,746	879,746	879,746	879,746
10/1/2008	FS99996008	8,146,000	5,945,553	0	0	5,945,553	325,440	325,440	162,720	162,720	703,000	703,000	1,008,487	1,008,487	1,008,487	1,008,487	1,008,487	1,008,487
9/2/2009	0000104009-0 ARRA	19,500,000	16,300,000	0	0	16,300,000	763,210	763,210	390,000	390,000	1,950,000	1,950,000	444,179	444,179	444,179	444,179	444,179	444,179
5/1/2010	FS9999610-0	21,719,000	14,986,110	1,397,053	742,036	17,125,189	854,760	854,760	424,380	424,380	2,171,900	2,171,900	3,257,850	3,257,850	3,257,850	3,257,850	3,257,850	3,257,850
FFY11	FS99996011	9,268,000	6,394,920	0	0	6,394,920	370,720	370,720	185,360	185,360	926,000	926,000	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200
FFY12	FS99996012	9,125,000	6,396,250	376,996	859,354	7,622,500	365,000	365,000	182,500	182,500	926,000	926,000	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200	1,350,200
FFY13	FS99996013	8,421,000	5,810,490	1,263,150	1,010,520	8,084,160	336,840	336,840	168,420	168,420	842,100	842,100	1,263,150	1,263,150	1,263,150	1,263,150	1,263,150	1,263,150
FFY14	FS99996014	12,614,000	8,703,660	1,418,460	1,127,685	11,249,805	501,560	501,560	250,780	250,780	1,253,900	1,253,900	1,892,100	1,892,100	1,892,100	1,892,100	1,892,100	1,892,100
FFY15	FS99996015	12,531,000	9,126,040	0	0	9,126,040	501,240	501,240	250,620	250,620	1,253,100	1,253,100	1,892,100	1,892,100	1,892,100	1,892,100	1,892,100	1,892,100
FFY16 Pending	FS99996016	11,854,000	8,757,360	0	0	8,757,360	474,160	474,160	237,080	237,080	1,185,400	1,185,400	1,778,000	1,778,000	1,778,000	1,778,000	1,778,000	1,778,000
		204,971,500	155,429,563	3,890,863	7,331,972	167,261,381	7,814,447	7,814,447	3,890,863	3,890,863	17,419,044	17,419,044	20,428,700	20,428,700	20,428,700	20,428,700	20,428,700	20,428,700

**Attachment E: Nevada FY16-17 Safe Drinking Water Act
Integrated Workplan**

DRAFT

Part II

Nevada SFY 16-17 Safe Drinking Water Act Workplan
 Drinking Water State Revolving Fund (DWSRF) Set-aside Workplan
 July 1, 2015 through June 30, 2017

Task 7A: 2% Small System Technical Assistance Set-aside

Activity: Provide Technical Assistance to Small Public Water Systems

Outcome: Offer technical assistance to all small water systems

Output: Quarterly Progress Report, Names of Systems & Assistance Provided

ID	Responsibility	Activity Description	Start	Finish	Workplan Comments / Quarterly Report
TA - A.1	NvRWA	NDEP Related: assistance with compliance issues, sanitary survey deficiencies, loan & grant assistance, emergency assistance	1-Jul-15	30-Jun-17	
TA - A.2	NvRWA	Planning/Plan Implementation: water conservation, O&M manuals, cross connection control, emergency response, wellhead protection, hydraulic modeling	1-Jul-15	30-Jun-17	
TA - A.3	NvRWA	General Managerial: Budgeting & rate setting, power consumption, digital mapping, general office & business practices	1-Jul-15	30-Jun-17	

Task Admin 4% Administration Set-aside

Activity: Administer the DWSRF Program

Outcome: Effectively manage a self-sustaining DWSRF Loan Program and ensure that funds are available in perpetuity.

Output: Semiannual Financial Report, Grant Application Apr, IUP May, NIMS Aug & Annual Report Dec

ID	Responsibility	Activity Description	Start	Finish	Workplan Comments / Quarterly Report
Adm10	OFA	Annual Priority List: solicit projects, draft priority list, public participation, BFWP approval	Dec	July	
Adm20	OFA/BSDW	IUP: draft IUP, public participation, finalize IUP	Apr	Jun	
Adm30	OFA	EPA Grant: prepare grant application & submit to EPA, receive EPA grant award	April	Jun	
Adm40	OFA	Biennial Workplan	1-Jul-15	30-Sep-15	
Adm50	OFA	Revise Workplan	as needed	as needed	
Adm60	OFA	Disadvantaged communities - additional subsidy	1-Jul-15	30-Jun-17	
Adm70	OFA	Attend Conferences & Seminars including CIFA	ongoing	ongoing	
Adm80	OFA	Annual DWSRF Report	1-Sep	30-Dec	
Adm90	OFA	Single Audit	Sep	Sep	
Adm100	OFA	FFR	ongoing	ongoing	
Adm110	OFA	Annual Capacity Report	1-Jul	15-Sep	
Adm120	OFA	PBR	ongoing	ongoing	
Adm130	OFA	NIMS Report	1-Aug	31-Aug	
Adm140	OFA	FPATA Report	ongoing	ongoing	
Adm150	OFA	LGIS Database	ongoing	ongoing	
Adm160	OFA	Needs Survey	1-Jul-15	31-Mar-16	
Adm170	OFA	Project review-including loan applications materials, TMF capability, fiscal responsibility, and NEPA	ongoing	ongoing	
Adm180	OFA	Board for Financing Water Projects-project presentation for approval	ongoing	ongoing	
Adm180	OFA	Project and cross-cutting monitoring-including design, bid, and construction activities through final completion	ongoing	ongoing	

Task 7.1.1: PWSS Program Management Schedule

Activity 1: Public Water System Supervision Program (PWSS)

Outcome 1: Maintain the Safe Drinking Water Information System (SDWIS) for use in managing Nevada PWSS; Integrate SDWIS with other Bureau workflow management tools and other State databases as appropriate; Continue to manage State and US EPA compliance and enforcement priorities using Enforcement Targeting Tool information, pursue enforcement as warranted and track ongoing compliance with Administrative Orders issued for non-compliance; Maintain operator certification program; and Maintain engineering design review activities

Output: PWSS Semiannual Progress Report Part II (a continuation of the PWSS Part I Semiannual Progress Report - Mid-Year and End-of-Year)

ID	Responsibility	Activity Description	Start	Finish	Workplan Comments / Quarterly Report
PWS10spm	BSDW	Support activities in PWSS program to ensure compliance with SDWA requirements	1-Jul-15	30-Jun-17	
PWS20spm	BSDW	Participate in EPA/State Association workshops	1-Jul-15	30-Jun-17	
PWS30spm	BSDW	Reserved for any Part A - PWSS workplan Task A through E funded by the DWSRF Set-aside on a permanent basis.	1-Jul-15	30-Jun-17	
PWS40spm	BSDW	Revise PWSS Sections of the IUP	May	May	
SDWIS10spm	BSDW	Enter monitoring data into SDWIS	ongoing	ongoing	
SDWIS20spm	BSDW	Enter violations into SDWIS	ongoing	ongoing	
SDWIS30spm	BSDW	Report inventory updates, violations and enforcement actions to SDWIS quarterly	1-Jul-15	30-Jun-17	
OC10spm	BSDW	Implement operator certification program	1-Jul-15	30-Jun-17	
OC20spm	BSDW	Support Operator Certification Forum	1-Jul-15	30-Jun-17	
OC30spm	BSDW	Provide water distribution and treatment operator certification exams for levels 1 through 4 at least 2 times per year	1-Jul-15	30-Jun-17	
OC40spm	BSDW	Prepare Operator Certification Program Annual Report	Aug	Aug	

Activity 2: Capacity Development Strategy

Outcome 2: Nevada's Capacity Development Strategy.

Output: Quarterly Progress Report, Annual Report Triennial Report to Governor

ID	Responsibility	Activity Description	Start	Finish	Workplan Comments / Quarterly Report
CD10spm	OFA, BSDW	Continue to evaluate Capacity Development Strategy	1-Jul-15	30-Jun-17	
CD20spm	OFA/BSWD	Participate in the State-EPA Re-Energizing Capacity Development Work group; and promote participation of NDEP OFA and BSDW staff on activities under that umbrella	1-Jul-15	30-Jun-17	
CD30spm	OFA/BSWD/BWPC	EPA Admin & Governor Report / every 3 years	1-Jul-17	30-Sep-17	

TASK 1A: 15% SET-ASIDE LOCAL ASSISTANCE AND OTHER STATE PROGRAMS

<p>Activity 1: Wellhead Protection - Source Water Protection/Groundwater Outcome 1: Implement the comprehensive Source Water Protection Program by providing outreach and assistance to local communities on strategies to protect their local water resources by preventing contamination of ground water and surface water, identifying and reducing the risk posed by potential water pollution sources through various state and local programs, and coordinating water protection activities throughout the state. Utilize information gathered in the assessment program to implement the vulnerability assessment and monitoring waiver programs.</p>					
			<p>Output: <i>Quarterly Progress Report, List of communities awarded technical assistance, work plan goals and outcomes, start-end dates, and project status.</i></p>		
ID	Responsibility	Activity Description	Start	Finish	Workplan Comments / Quarterly Report
SWP10osp	BWPC/BSDW	BWPC & BSDW collaborate to define future data needs and source water protection program activities	1-Jul-15	30-Jun-17	
SWP20osp	BSDW	Provide Vulnerability Assessment Reports as needed to water systems, as related to informational statements required in Consumer Confidence Reports.	1-Jul-15	30-Jun-17	
SWP30osp	BSDW	New source water delineations and field contaminant source updates as needed; field observations and/or data collection may be conducted during Sanitary Survey inspections or specific travel for that purpose.	1-Jul-15	30-Jun-17	
SWP40osp	BSDW	Evaluate water quality, risk, time of travel, susceptibility and other relevant information to determine source vulnerability; purchase appropriate software for this purpose as determined necessary by BSDW.	1-Jul-15	30-Jun-17	
SWP50osp	BSDW	Update groundwater monitoring schedules and waivers	1-Jul-15	30-Jun-17	
SWP60osp	BSDW	Utilize SDWIS to aid in source water protection evaluations and program decisions. If/when determined necessary by the BSDW, upgrade SDWIS software to enhance program capabilities	1-Jul-15	30-Jun-17	
SWP70osp	BSDW	Encourage water systems to engage in source water protection efforts	1-Jul-15	30-Jun-17	
WHP10osp	BWPC	Enhance State SWP/WHP Program and develop strategies for carrying out the programs and protecting public drinking water supplies and ground water resources	1-Jul-15	30-Jun-17	
WHP20osp	BWPC	Provide technical assistance with the development and implementation of community/public water systems source water wellhead protection plans; and encourage these activities at the local level.	1-Jul-15	30-Jun-17	
WHP30osp	BWPC	Encourage coordination among federal, state and local agencies and other community groups involved with source water and wellhead protection activities.	1-Jul-15	30-Jun-17	
WHP40osp	BWPC	Develop technical guidance for water pollution prevention activities and best management practices	1-Jul-15	30-Jun-17	
WHP50osp	BWPC	Develop educational outreach materials and coordinate educational outreach activities.	1-Jul-15	30-Jun-17	
WHP60osp	BWPC	Develop and enhance source water wellhead protection data management and coordinate data sharing.	1-Jul-15	30-Jun-17	
WHP70osp	BWPC	Maintain/enhance staff technical capabilities	1-Jul-15	30-Jun-17	
TASK 1A: 15% SET-ASIDE LOCAL ASSISTANCE AND OTHER STATE PROGRAMS (continued)					
<p>Activity 2: Capacity Development Outcome 2: Provide assistance and training to improve PWS technical, managerial and financial capacity.</p>					
			<p>Output: <i>Quarterly Progress Report, Names of Systems and Assistance Provided</i></p>		
ID	Responsibility	Activity Description	Start	Finish	Workplan Comments / Quarterly Report
TA - B	NrRWA	Training/Mentoring: water technology courses, board & staff training, operator training, annual conference & training scholarships	1-Jul-15	30-Jun-17	
TA - C	NrRWA	Distance Training: technical e-learning / videoconferencing	1-Jul-15	30-Jun-17	
	OFA	Water Lines Publication	quarterly	quarterly	
CD40osp	NDEP, NrRWA	Provide TMF evaluation and technical assistance to PWS	1-Jul-15	30-Jun-17	
<p>NDEP = Nevada Division of Environmental Protection BWPC = Bureau of Water Pollution Control BSDW = Bureau of Safe Drinking Water OFA = Office of Financial Assistance NrRWA = Nevada Rural Water Association</p>					